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IN THE

Supreme Court of the United States.

OCTOBER TERM, A. D. 1948.

No. 305.

THE GALION METALLIC VAULT COMPANY,
Petitioner,

v.

EDWARD G. BUDD MANUFACTURING COMPANY,
Respondent.

ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT.

BRIEF FOR RESPONDENT.

OPINIONS OF THE COURTS BELOW.

The opinion of the District Court is reported at 74 U. S. P. Q. 90, and printed at PR., pages 3a to 9a. The opinion of the Circuit Court of Appeals is reported at 169 Fed. Rep. (2nd), 72.

STATEMENT OF THE CASE.

The case is an ordinary suit for patent infringement. Two patents were involved, and both were held invalid. Petitioner seeks review as to one patent only, to wit, the Palmer Patent No. 1,603,095, issued October 12, 1926 (expired in 1943), for Pneumatic Tire Carrier for Automobile Trucks.

The District Court held the Palmer patent invalid for lack of invention over the prior art—specifically a prior publication in Cooper's Vehicle Journal of January, 1922,

(RR. 141a), and certain mine safety trucks in use, long prior to the Palmer patent, by the U. S. Bureau of Mines and the Bureau of Mines of the State of Ohio (RR. 113a).

The Circuit Court of Appeals held the finding of invalidity for lack of invention to be without error and affirmed the judgment.

As stated in the patent (PR. 11a), "the invention relates to automobile trucks of the type which are equipped with pneumatic tires; and the invention has for its aim the provision in such trucks of means of an advantageous character for carrying one or more spare tires."

The truck, as shown in the patent, comprises the chassis with its frame 7 and the truck body with its floor or loading platform 6, longitudinal sills 8, running from the front to the rear of the truck body, and cross-sills 9. The tire carrier is simply a flat box in which one or two spare tires may be laid. To make room for the box the longitudinal sills 8 are cut away (notched out) at 12 (see Fig. 2 of the patent drawing), and the box is carried on the longitudinal sills with its lower portion fitting into the notches.

In brief, the alleged feature of novelty is the provision of a box adapted to contain one or more spare tires, the box being located beneath the forward end of the body platform and between that platform and the longitudinal body sills, the said sills being notched out at their forward ends to receive and support the box.

In Cooper's Vehicle Journal of January, 1922 (RR. 141a-143a) there is disclosed a hawker's lorry having a locker box of the same general character as Palmer's box, located at the precise point selected by Palmer, to wit, beneath the forward end of the platform and between that platform and the longitudinal body sills. Two sets of boxes are provided, and the article states that in these boxes "reserves can be readily stored as well as scales, measures and other equipment necessary for trading purposes." The required vertical clearance or space of the lockers is secured

by the use of longitudinal sills reduced in height throughout their entire length.

In the mine safety trucks (RR. 113a), space was provided beneath the forward end of the body platform and between that platform and the longitudinal body sills for carrying a number of oxygen cylinders or tanks arranged in side by side relation crosswise of the truck. The necessary vertical space or clearance for the tanks between the longitudinal sills and the platform was provided by cutting away or notching the longitudinal sills at their forward ends to receive and support the tanks at the precise location chosen by Palmer for his tire box.

As will be seen, in each of the prior structures a space or compartment was provided at the precise point selected by Palmer for his tire box, to wit, beneath the forward end of the platform and between that platform and the longitudinal body sills, and in each case the vertical space required between the platform and longitudinal sills to accommodate the article to be carried, was secured by the narrowing or notching of the longitudinal sills, thus avoiding any increase in the height of the loading platform;—Palmer's precise expedient.

In the hawker's lorry, the locker box was not large enough to receive a tire. The sole change required to permit the box to serve as a receptacle for a spare tire was to increase its width, that is to say, its dimension longitudinally of the truck, by the proper spacing of the transverse bolsters to provide the necessary space between them. At the trial, evidence was received on the fact question whether this would involve structural changes beyond the skill of the mechanic (RR. 96a-98a). It was found as a fact by the trial court, who heard the witnesses, that the making of such changes was merely a routine matter with the body builder (PR. 4a).

In view of the references mentioned, the District Court found the Palmer patent invalid for lack of patentable invention (PR. 5a).

In the Circuit Court of Appeals, that court (as clearly appears from the opinion, PR. 144) addressed itself to the question whether there was any error in the trial court's finding of lack of invention. The Court held that the record disclosed ample support for the holding, and accordingly affirmed the judgment (PR. 151).

In addition to holding the Palmer patent invalid, the District Court sustained the defense of plaintiff's misuse of the patents in suit (PR. 8a), and on this point also the Circuit Court of Appeals affirmed (PR. 149).

Neither the Petitioner nor the Respondent is a manufacturer of trucks. Each is in the body business, that is to say, each manufactures truck bodies and sells the bodies to truck manufacturers for use in the manufacture of trucks. The charge of infringement in this suit is rested upon the manufacture and sale by Respondent of truck bodies. Bodies of the same construction are made and sold by Petitioner, and it is Petitioner's attempted use of the Palmer patent in suit as a means of monopolizing that body that was found by the courts below to be a misuse of the patent.

The issue of "misuse" turned on the single question whether Palmer's Claim 1 could be applied to Respondent's truck body, *per se* (made also by Petitioner and sought to be monopolized by it), or whether to make out a case of infringement, Petitioner must resort to the completed truck, including not only the body as made by Respondent, but as well the chassis and tire carrier supplied by the truck manufacturer. Both courts below held that the Palmer patent did not purport to cover Respondent's body, *per se;* that a charge of infringement could only be based upon the combination of that body with other parts and structures not furnished by Respondent; and as the body was therefore not itself patented, Petitioner's use of the patent in attempting to monopolize the unpatented body, was a misuse of that patent under the principles of the *Carbice* case, *Carbice Corp. v. American Patents Development Corp.*, 283 U. S. 27; *Leitch Mfg. Co. v. Barber Co.*, 302 U. S. 458; and

Mercoid Corp. v. Mid-Continent Investment Co., 320 U. S. 661.

To enable the Court to see at a glance the precise question involved in the defense of misuse, we have annexed hereto prints of Defendant's Exhibits 53, 54 and 55. Exhibit D-53 (p. 13) illustrates the body as made and sold by the Respondent; Exhibit D-54 (p. 14), the chassis and tire carrier as supplied by the truck manufacturer, and Exhibit D-55 (p. 15) the complete truck (including body, chassis and tire carrier) as completed by the truck manufacturer.

As can readily be seen from the chart Exhibit D-53, the truck body, as furnished by Respondent, contains no box, characteristic of the Palmer patent, for receiving and carrying spare tires. The longitudinal sills extend through only a portion of the length of the body, leaving a space beneath the forward end of the floor or loading platform (at the right on the chart). As shown in charts Exhibits D-54 and D-55, a tire carrier, that is to say, a bracket to which a spare wheel and tire may be secured, is mounted on the side of the chassis frame with which Respondent's cargo body is to be used; and when the body is in position on the chassis, this spare wheel and tire, supported on the bracket, can be swung up under the body platform into the space provided beneath the body platform and above the chassis frame. There is no "spare-tire carrier" in the truck body. There is a tire carrier in the assembled truck, but this is in the form of the swingable bracket mounted on the chassis.

Palmer's Claim 1 reads as follows:

"1. **In an automobile truck, the combination with a chassis frame**, a load-carrying platform, means for supporting said platform above and in spaced relation to the chassis frame including a pair of longitudinal supporting members adapted to be mounted upon the chassis frame, and **means forming a compartment beneath said platform for receiving pneumatic tires**, said

longitudinal members being cut away at their forward ends to receive the lower portion of said compartment." (Emphasis supplied.)

In seeking to apply this claim to Respondent's cargo body (Ex. D-53), Petitioner advanced the contention that the claim could be so applied by treating the introductory expression "In an automobile truck, the combination with a chassis frame, etc." as mere words of background or environment and that neither the truck nor the chassis frame was to be regarded as included in the claimed combination. It was pointed out by the Respondent that the claim not only included the chassis frame as an element but also required in the body portion of the structure "means forming a compartment * * * for receiving pneumatic tires"; that in the patent this element referred to the box built into the body to receive spare tires and serve as a tire carrier; that the space in Respondent's body beneath the front end of the floor, having no bottom, could not serve as a tire carrier, and that as the whole purpose of the Palmer patent was to provide the truck body with a tire carrier, the claim calling for this element could not be applied to Respondent's body, which lacked it.

At the trial, Petitioner, through its expert, found a bottom for the "compartment" of the claim in the tire carrier bracket mounted on the chassis frame, not made by Respondent but by the manufacturer of the completed truck (PR. 134a, 135a; RR. 9a-12a).

The District Court held (PR. 8a) that the compartment element of Palmer's claim could not be found in the Respondent's cargo body, *per se*, that is to say, without the addition of the chassis frame and tire carrier. The Court on this point said:

> "The 'compartment' element of Palmer's claim, construed broadly (as I think it should be and as it must be if it is to cover the space where the tire is carried in the defendant's body) has no bottom, and,

of course, it is necessary to have some element to support the tire in place. The patent is described as covering a 'tire carrier'; and a compartment with a top and sides but no bottom cannot possibly be a tire carrier. Thus the relationship between the patented elements of the compartment and the chassis frame is functional and goes directly to the essence of the patent. The chassis frame, specifically claimed, after reference to the entire vehicle, is plainly more than descriptive background."

The Court further held that as the claim was not limited to the body, *per se,* any infringement by the Respondent could be contributory only and that Petitioner in attempting to extend the patent to cover the unpatented body (made by itself as well as by Respondent) was plainly misusing the patent under the principles of the Carbice and other cases. On this point, the judgment was affirmed by the Circuit Court of Appeals.

ARGUMENT.

I

Petitioner's Ground I. That the Circuit Court of Appeals Departed From Principle and Resorted to a Non-Statutory Defense in Holding That a Device to Be Patentable "Must Be Patentably New."

As stated above, page 3, and as clearly appears from the opinions of the courts below, the defense sustained in the District Court and in the Circuit Court of Appeals was the defense of lack of invention. In stating that a device to be patentable must "not only be new, but, we think, patentably new in view of the art," the Circuit Court of Appeals was invoking the familiar rule that subject-matter to be patentable must not only be new and useful but must also involve invention. The phrase quoted by the Court is one used by Judge Wooley in *Julius Levine Co. v. Automatic Paper Machinery Co.*, 63 Fed. (2nd), 547, 549, where, after finding a device new, he said: "The next question is whether the combination is patentably new. The answer to that question depends on whether it involves invention, first, in view of the art, and next, whether it is a combination or an aggregation." See also *Union Paper Collar Co. v. VanDeusen*, 90 U. S. 530.

Manifestly, Petitioner's claim that there was any departure from settled principle is without foundation. On the contrary, we have a simple case of the proper application of the elementary rule that invention, as well as novelty, is required to sustain a patent—a doctrine long established by repeated decisions of this Court. *Cuno Engineering Corp. v. Automatic Devices Corp.*, 314 U. S. 84, 90, 91.

The Palmer patent has not been involved in litigation in any other circuit, and consequently this is not a case in which a Circuit Court of Appeals has rendered a decision in conflict with another Circuit Court of Appeals on the same matter. The judgment of invalidity for lack of

patentable invention involved an ordinary fact question, in which both courts below concurred; and as the judgment was adverse to the patent, and the patent expired five years ago, no question of public interest arises; and it is submitted that Petitioner in its Ground I presents no reason for the grant of the petition.

II.

Petitioner's Ground II. That the Courts Below Erred in Sustaining the Defense of Misuse.

As pointed out above in the statement of the case (page 4), this defense turned on the question whether Claim 1 of the Palmer patent is applicable to Respondent's truck body, *per se* (made also by Petitioner and sought to be monopolized by it), as distinguished from the completed truck, including the body, the chassis and the tire carrier mounted on the chassis.

As the opinions of the District Court and the Circuit Court of Appeals clearly show, the decision that the claim could not be applied to Respondent's truck body, *per se*, was based not alone on the form of the claim as a combination claim, and the inclusion therein of the chassis frame as an element of the combination, but because without the addition of the chassis and the tire carrier (neither of which was supplied by Respondent), that element of the claim reading "means forming a compartment beneath said platform for receiving pneumatic tires" could not be found in the accused body.

It will thus be seen that the question sought to be brought up by Petitioner and argued here, to wit, whether on a question of infringment a claim framed as a combination claim, including body elements with chassis elements, could under any circumstances be construed as a claim for the body elements alone was not involved in the decision, nor was the question whether the claim could be so read when applied to the body shown and described in

the patent with its tire box or carrier built into the body. On the contrary, the question presented and decided was whether or not the claim, read in the light of the patent as a whole and of the facts in the record, could be found infringed by Respondent's cargo body, *per se,* an ordinary question of patent infringement decided adversely to Petitioner by both courts below.

Petitioner cited below, and cites here, the case of *Williams Mfg. Co. v. United Shoe Corporation,* 316 U. S. 364, as authority for the proposition that not only the introductory expression "In an automobile truck," but also the element "the chassis frame," expressly included as an element of the combination, may be treated as "environment" or background and disregarded on the question of infringement. In the *Williams* case it was held that the inclusion in a claim for an improvement of part of a machine, of parts of the old machine with which the improvement was to cooperate, did not render the claim invalid as an attempt to re-patent the original machine or its parts. The question whether such a claim could be infringed (otherwise than contributorily) by the manufacture and sale of less than the entire claimed combination, was not involved, as the case expressly shows. The attention of the Court was not directed to the specific question of infringement of a combination claim but to an entirely different question. But aside from that, the case has no bearing on the case at bar, for, as we have pointed out, in holding Claim 1 of the Palmer patent inapplicable to Respondent's cargo body, *per se,* the courts below held that without the presence of the chassis frame there could not be found in the Respondent's body the tire carrying compartment to which the whole patent was directed and that hence the chassis frame element could not be treated as mere background. (District Court, PR. 7a, 8a; Circuit Court of Appeals, PR. 149.)

The finding that the truck bodies made and sold by Respondent, and by Petitioner itself, were not covered by

the Palmer patent necessarily led to the holding of "misuse." It cannot be disputed that Petitioner (1) by notifying truck manufacturers that the purchase of the accused bodies from Petitioner carried safety under the Palmer patent, while other body builders, in view of the patent, had no right to furnish the bodies; (2) by offering licenses under the patent to body builders granting the right to make and sell bodies for use in the patented trucks upon payment of royalty on the bodies, and (3) by bringing the present suit against a competing body builder and notifying truck manufacturers that the suit had been brought, was seeking to extend the coverage of the patents to the unpatented bodies in violation of the principles made so clear by this Court in the *Carbice* case and the decisions which followed. These cases have made it very clear that the Palmer patent, with its combination claims, did not confer upon Petitioner the right to be free from competition in supplying unpatented cargo bodies to be used in making the vehicles purporting to be covered by the patent, and that a suit for contributory infringement against a competitor, in an effort to restrain such competition, cannot be maintained.

We submit that Petitioner's point II presents no sound reason for review on writ of certiorari. No question of the scope of the "misuse" doctrine, or of its proper application, was involved. The question whether the Palmer patent covered Respondent's body, *per se*, was an ordinary question of patent infringement involving the construction of the claim in the light of the patent and of the facts in the record, and, we submit, that in deciding that question adversely to the Petitioner there was no departure by the courts below from principle or authority. The Palmer patent having long since expired, no question of interest to the general public is involved in the case.

III.

Petitioner's Ground III. That No Other Opportunity Will Be Available to Present the Issues to This Court.

In support of this point, Petitioner, at page 16 of the petition, cites certain patent cases in which certiorari has been granted in the absence of a conflict between decisions of different circuit courts of appeals on the same patent. In those cases dominating patents of doubtful validity had been sustained in a circuit in which the affected industry was concentrated, so that litigation elsewhere was improbable, as in *Schriber-Roth v. Cleveland Trust Co.*, 305 U. S. 47, 50. Obviously these cases have no bearing on the case at bar, in which the patents involved have not been sustained but have been held invalid, and in which the only patent involved in Petitioner's application for writ of certiorari has long since expired.

Conclusion.

It is respectfully submitted that the petition should be denied as an ordinary patent case involving no conflict of decision between Circuit Courts of Appeals, no important question of federal law which has not been, but should be, settled by this Court, and no federal question decided in a way in conflict with applicable decisions of this Court.

Respectfully submitted,

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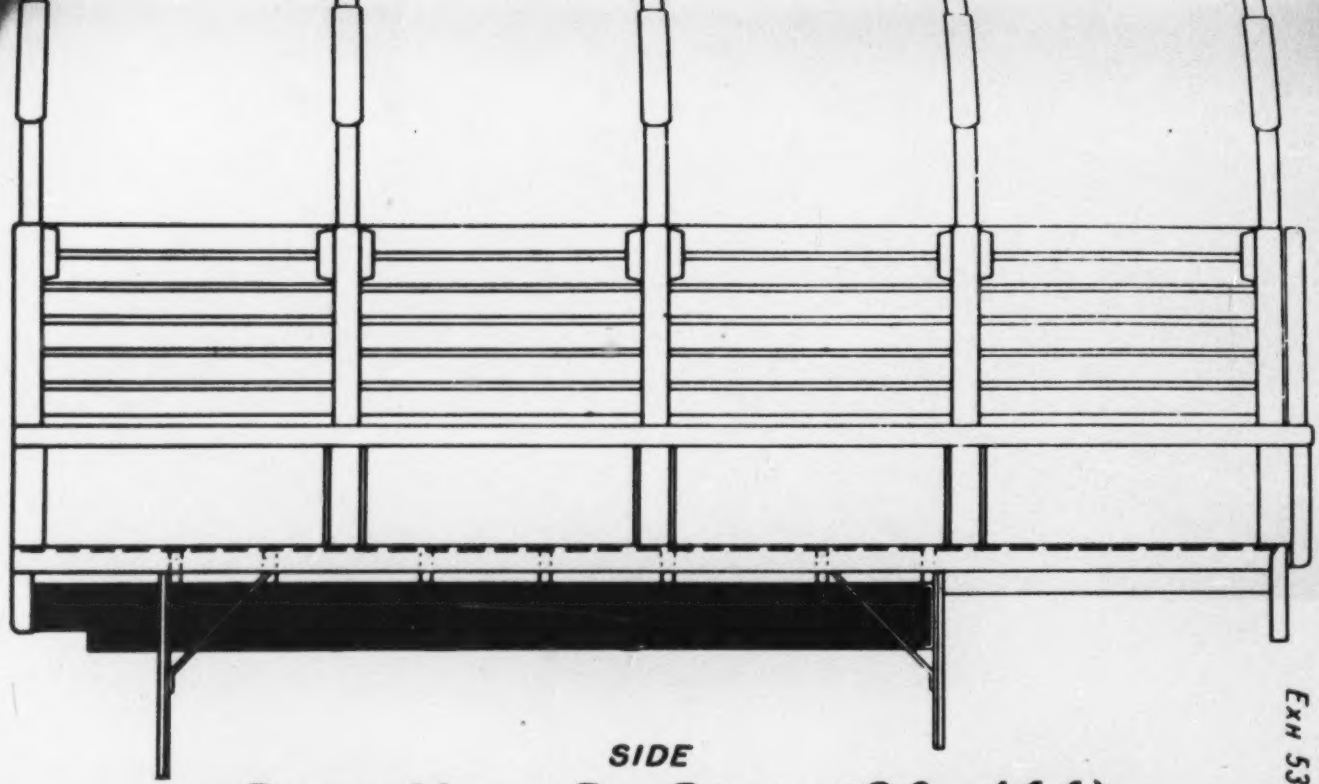


SIDE

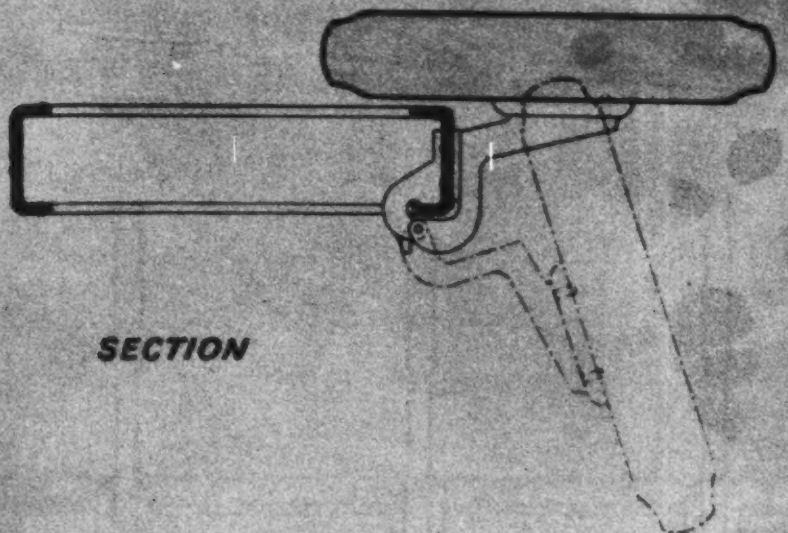
BODY MADE BY DEF'T. (80 x 144)

EXH 53

GOVERNMENT CHASSIS

NOT MADE BY DEF'T.

H



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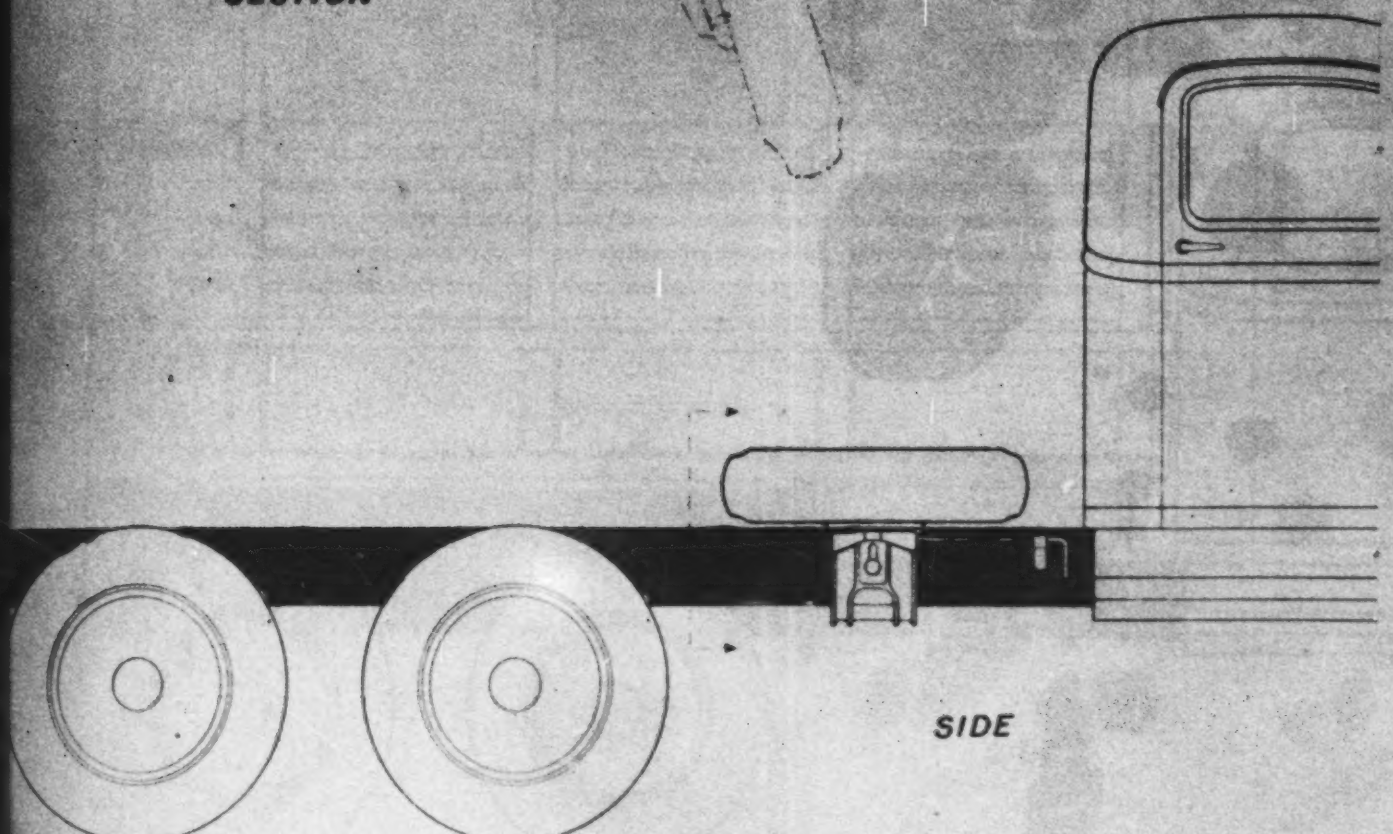

SIDE

GOVERNMENT TRUCK

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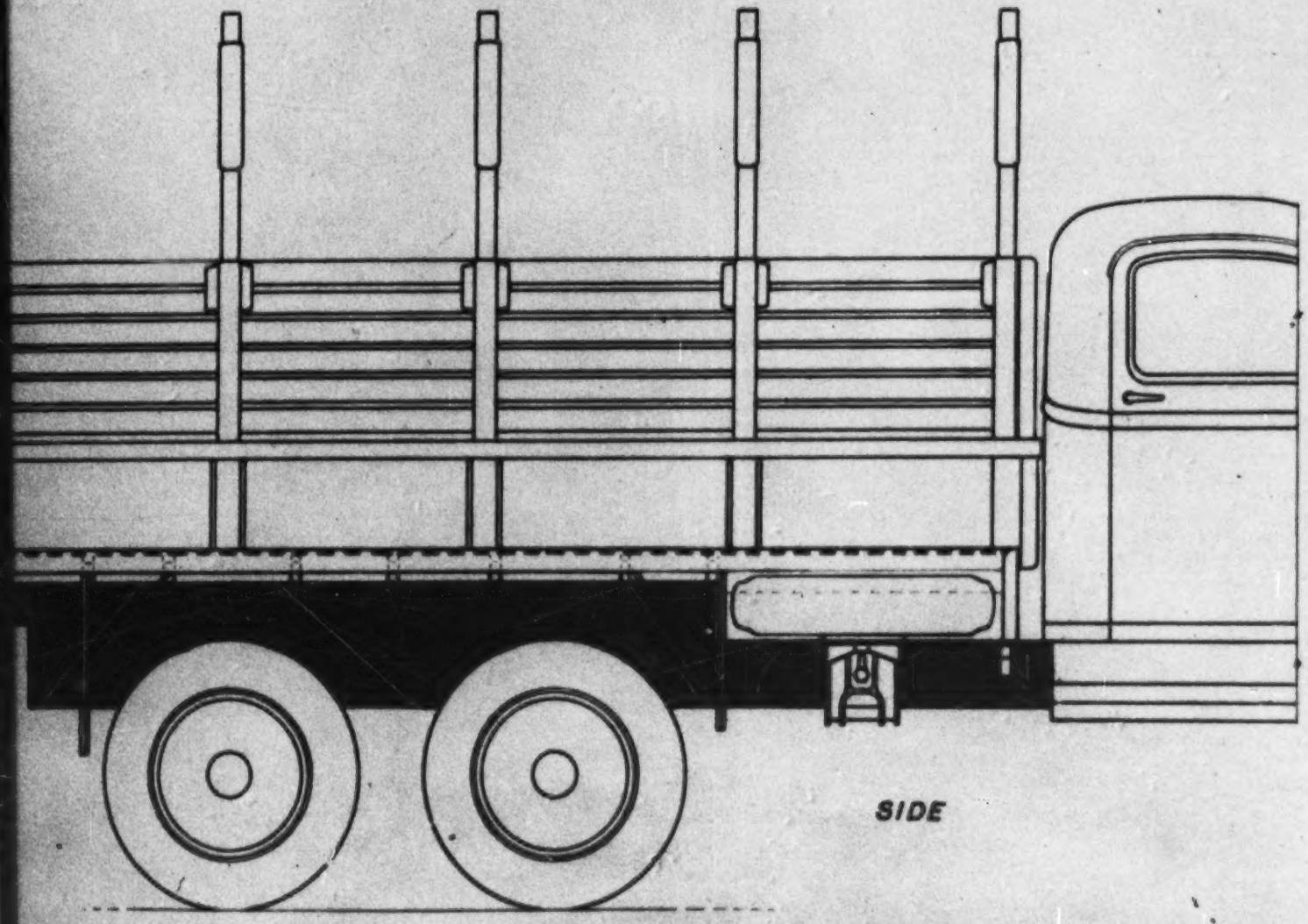

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